

Section 6

Withholding Compliance Program

IRS Strengthens Withholding Compliance Program; Reduces Paperwork for Employers

Employers will no longer be required to send copies of potentially questionable W-4 withholding forms to the Internal Revenue unless directed to do so. At the same time, the IRS will step up its withholding compliance program by making more effective use of information reported on W-2 wage statements to ensure that employees have enough federal income tax withheld from their paychecks.

Temporary regulations provide rules for the submission of copies of certain withholding exemption certificates to the IRS, the notification provided to the employer and the employee of the maximum number of withholding exemptions permitted, and the use of substitute forms.

Written or electronic comments will be accepted and must be received by July 5, 2005.

Resources

- [IR-2005-45 - News Release](#)
- [TD 9196](#) (PDF)
- [REG-162813-04](#) (PDF)